

CHAPTER V

CONCLUSION

As Table 4.5 shows, labour costs have risen substantially due to the high tin prices which added the usual permanent increment to costs even after the relevant circumstances no longer applied. The increases in the cost of labour have given rise to the further extension of contract systems of work (pok chow) and to the employment of more labour saving equipment.

Another reason for the more employment of labour saving equipment is the need to mine in less productive areas and mine tailings which would certainly be not profitable if labour intensive methods are used. From the words of Mr. H. Dalton-Brown, the President of the Federal Malay States Chamber of Mines, "The greater part of Malaya's tin ore reserves lie around the areas which had been previously mined."¹ Thus less labour is employed to produce a ton of tin as the years pass, despite the fact that lower grade ground is being mined. For example, most earth-moving jobs which were usually performed by the mines' daily paid unskilled workers have been taken over by earth-moving equipment like tractors and bulldozers. The general increase in the use of earth moving equipment for tin mining can be seen the case of Perak. In 1963 as compared to 1962, the number of excavators increased by 7 units to 52, draglines by 17 to 48, bulldozers and tractors by 14 to 61, lorries, etc. by 37 to 60, locomotives by 1 to 33.² This shows that miners are more conscious of the importance of efficiency and the lower operating cost than hiring labourers for earth moving and stripping and bund-building operations. Thus today, one finds less alternative jobs available for the semi-skilled and unskilled labourers. There is a slow but steady reduction in such types except in small mines which could not afford much mechanization, it makes possible for the smaller aggregate labour force employed to enjoy a higher standard of living. Many new occupations are also created which require skill with mechanization, for example, in the operation of earth moving equipment. Mobility of labour also becomes difficult as it becomes more specialized.

¹The Straits Times, May 28th, 1964.

²State of Perak Mines Department Annual Report, 1963.

From Table 4.3, one sees that in recent years, except for European dredges, there was a general increase in the employment of labour in tin mines. This is so because mining operations in dredges are capital intensive whereas those on Chinese gravel pump mines are labour intensive. Thus an increase in the number of gravel pump mines in operation means a substantial increase in the number of workers employed. The Chinese still constitutes the majority of labour employed in tin mines and a high proportion are employed in gravel pump mines. Malay and Indian labour on the other hand are employed almost entirely by dredging companies. Table 5.6 shows the number of employees in the different types of mines by sex, race and main occupational groups as at 31st July, 1963.

TABLE 5.6

NUMBER OF ESTABLISHMENT AND EMPLOYEES IN THE DIFFERENT TYPES OF MINES BY SEX, AND RACE AS AT 31st, JULY, 1963.

Types	Number of Establishments	Number of Workers	Sex			Race			
			Men	Women	Young Persons ¹	Malay	Chinese	Indians	Others
Dredges	66	11,200	10,640	550	10	4,010	4,410	2,480	300
Gravel Pump Mines	582	16,840	14,890	1,930	20	1,230	14,530	1,030	50

Source: Labour Department of Malaya Annual Report

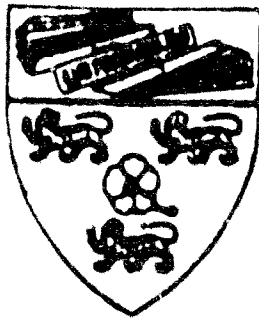
Note: ¹Those below 16 years of age.

On Chinese mines, the 'pok chow' system has undoubted merits, particularly in the case of smaller mines. Indeed it is doubtful if there would have been any profits to share in many of them without the 'payment-by-results' incentive. However, efficient mining and the effective supervision of safety precaution tends to suffer. The 'pok chow' kepalas who are mostly interested only

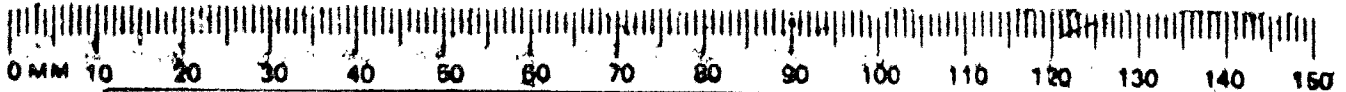
in quick profits tend to work the mine haphazardly thereby causing unsafe conditions in the mine workings and their tailing areas which are usually not well maintained. Workers also find it extremely difficult to earn sufficient income on low grade ground. But if they work on very good ground, their wage system is about the best among all other mines workers, as long as they are guaranteed regular payments for work and they do the job to the satisfaction of their kepalas.

In May 1964, there was a new wage agreement which gives a six per cent basic wage increase to the 17,000 workers in European-managed tin mines in the country at an extra cost of about \$4.25 million to the industry. This agreement which will have a life of 2 years and 8 months, was worked out smoothly in 8 bargaining sessions which began in March, 1964. The agreement introduces 2 new concepts, i.e. it creates a new three-tiered wage structure by classifying the workers into skilled, semi-skilled and unskilled categories and computing their pay on a basic wage plus a differential for skill, and introduces an annual savings scheme which will give the workers the same benefit as an annual bonus. The annual savings, which approximate a month's salary, will be payable each January. It is made up of a 4 per cent contribution on the total pay each month by the workers and an equal contribution by the management. Other features of the agreement are a 10 cent annual increase in daily wages within their grade for all workers, improved annual leave and overseas leave, better emergency overtime, and outstation allowance. It should be noticed that independent workers do not benefit from the scheme. But since there is a shortage of such labour, they are given a fair deal.

Mines today especially the Dredging Companies, are generally becoming more conscious of their responsibility and obligations towards their employees in respect of their accommodation. On several European mines, the standard of housing has improved with provision of additional social and recreation amenities. While it is true that wage rates have increased very much compared to pre-war, seems to indicate that if the working force were strongly unionized, the workers could probably have obtained higher wages than they are now getting.



TAMAT



UNIVERSITY OF MALAYA LIBRARY . MICROFILM

